



BERBERICH TRAHAN & CO., P.A.

Certified Public Accountants

FORT LEAVENWORTH UNIFIED SCHOOL
DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

FINANCIAL STATEMENT
WITH SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2015

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

FINANCIAL STATEMENT
WITH SUPPLEMENTARY INFORMATION
REGULATORY BASIS

Year Ended June 30, 2015

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FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

FINANCIAL STATEMENT
WITH SUPPLEMENTARY INFORMATION
REGULATORY BASIS

Year Ended June 30, 2015

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BERBERICH TRAHAN & CO., P.A.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Education
Fort Leavenworth Unified School District No. 207:

Report on the Financial Statement

We have audited the summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Fort Leavenworth Unified School District No. 207 (the District) as of and for the year ended June 30, 2015 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* (KMAAG) as described in Note 2 to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and applicable provisions of the *Kansas Municipal Audit and Accounting Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statement, the financial statement is prepared by the District to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2015, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District as of June 30, 2015, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 2.

Other Matters

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the summary statement of regulatory basis receipts, expenditures, and unencumbered cash (the basic financial statement) as a whole. The schedules listed under supplementary information in the accompanying table of contents, including the schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*, are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 2.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 23, 2016 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Berberich Trahan & Co., P.A.

Topeka, Kansas
February 23, 2016

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FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS

Year Ended June 30, 2015

	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances
<u>FUNDS</u>		
General fund	\$ -	\$ -
Supplemental general	-	-
Special purpose:		
Capital outlay	21,603,237	-
Food service	111,103	-
Special education	367,638	-
At-Risk	351,431	-
Professional development	357,269	-
Parent education	51,929	-
KPERs special retirement contribution	-	-
Federal grant funds (budgeted)	-	-
Bilingual education	250,404	-
Textbook rental	371,768	-
Construction	208,301	-
Vending machine	2,482	-
Federal and other grants (non-budgeted)	681,449	-
Contingency reserve	734,557	-
DODEA grant	110,470	-
Department of Homeland Security - FEMA	(573,800)	-
District activity funds	29,415	-
Total reporting entity (excluding agency funds)	<u>\$ 24,657,653</u>	<u>\$ -</u>
Composition of cash:		
Checking account		
Petty cash funds		
Municipal investment pool		
Certificates of deposit		
Money market account		
Activity funds - checking accounts		
Total cash		
Agency Funds per Schedule 3		
Total reporting entity (excluding agency funds)		

See accompanying notes to financial statement.

Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
\$ 9,383,791	\$ 9,383,472	\$ 319	\$ 562,868	\$ 563,187
3,539,416	3,539,416	-	64,840	64,840
5,969,295	18,785,652	8,786,880	864,441	9,651,321
646,996	666,883	91,216	29,922	121,138
2,892,751	2,261,945	998,444	180,957	1,179,401
90,931	240,366	201,996	23,261	225,257
100,000	265,837	191,432	15,026	206,458
20,000	32,000	39,929	-	39,929
1,106,655	1,106,655	-	-	-
74,935	73,424	1,511	13,461	14,972
140,000	174,088	216,316	18,435	234,751
-	222,472	149,296	109,748	259,044
338,513	2,625	544,189	33,989	578,178
-	964	1,518	179	1,697
406,227	432,676	655,000	29,674	684,674
-	48,329	686,228	-	686,228
-	106,840	3,630	7,577	11,207
531,300	254,293	(296,793)	-	(296,793)
94,466	91,540	32,341	-	32,341
<u>\$ 25,335,276</u>	<u>\$ 37,689,477</u>	<u>\$ 12,303,452</u>	<u>\$ 1,954,378</u>	<u>\$ 14,257,830</u>
				\$ 739,608
				200
				9,165,613
				4,153,302
				166,766
				35,683
				<u>14,261,172</u>
				(3,342)
				<u>\$ 14,257,830</u>

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT

June 30, 2015

1 - Municipal Financial Reporting Entity

Fort Leavenworth Unified School District No. 207 (the District) is a municipal corporation governed by a three-member board. This financial statement includes all the accounts for which the District is considered to be financially accountable. The District has no related municipal entities.

2 - Summary of Significant Accounting Policies

(a) Fund Descriptions

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The following regulatory basis fund types comprise the financial activities of the District for the year ended June 30, 2015:

GOVERNMENTAL FUNDS

General Fund and Supplemental General Fund are used to account for the general operations of the District and are used to account for all unrestricted resources except those required to be accounted for in other funds.

Special Purpose Funds are used to account for the proceeds of specific tax levies and other specific revenue sources (other than major capital projects and tax levies for long-term debt) that are intended for specified purposes.

FIDUCIARY FUNDS

Agency Funds are used to account for assets held by the District as an agent for individuals, private organizations, other governmental units and/or other funds. Agency funds are custodial in nature and do not involve measurement of operations.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(b) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c) waiving the requirement for application of accounting principles generally accepted in the United States of America and allowing the District to use the regulatory basis of accounting.

(c) Budget and Tax Cycle

Kansas statutes require that an annual operating budget be legally adopted for the general fund, supplemental general fund and special purpose funds (unless specifically exempted by statute). Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(c) Budget and Tax Cycle (Continued)

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The District had no budget amendments for the year ended June 30, 2015.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each budgeted fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal budgets are prepared using the regulatory basis of accounting in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for agency funds and the following special purpose funds:

Textbook Rental, Construction, Vending Machine, Contingency Reserve, certain federal and other grant funds and District Activity Funds

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes or by the use of internal spending limits established by the governing body.

All budgets must be filed with the County Clerk by August 25th. The County Clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the Clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payment.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(c) Budget and Tax Cycle (Continued)

These taxes become a lien against all property November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20th and May 10th. Delinquent taxes are assessed interest at 12% per annum. This interest is retained by the County.

Taxes levied to finance the budget are made available to the District after January 1st and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

(d) Chargeable Leave Benefits

All certified employees accrue chargeable leave at the rate of 13 days per year, accumulating to a maximum of 113 days. Other employees accrue leave based on the position occupied and contract days. Vacation is accumulated at the rate of 10 to 15 days per year depending upon the employee's length of service and classification. Benefits are prorated for part-time employees.

(e) Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods are recorded as expenditures during the year of purchase.

(f) Use of Estimates

The preparation of the financial statement in compliance with the regulatory basis requires management to make estimates and assumptions that affect the reported amounts of encumbrances at the date of the financial statement and the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

3 - Deposits and Investments

At June 30, 2015, the District had the following investments and maturities:

Investment Type	Fair Value	Maturity	Rating
Kansas Municipal Investment Pool	\$ 9,165,613	Less than 1 year	S&P AAAs/S1+

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. Kansas statutes require that deposits be collateralized and that collateral pledged must have a fair market value equal to 100% of the deposits and investments, less insured amounts, and must be assigned for the benefit of the District. At June 30, 2015, the District's deposits were not exposed to custodial credit risk.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

3 - Deposits and Investments (Continued)

Custodial Credit Risk-Investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

At June 30, 2015, the District had invested \$ 9,165,613 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

4 - In-Substance Receipt in Transit

The District received \$ 182,050 subsequent to June 30, 2015 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2015.

5 - Defined Benefit Pension Plan

Plan Description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas Avenue, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

5 - Defined Benefit Pension Plan (Continued)

Funding Policy. K.S.A. 74-4919 and K.S.A. 74-4921 establishes the KPERS member-employee contribution rates. Effective July 1, 2009, KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate of 5% for July 1, 2014 – December 31, 2014 and 6% for January 1, 2015 – June 30, 2015 of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. Member employees' contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

The State of Kansas is required to contribute the statutorily required employer's share.

Net Pension Liability

The total pension liability for KPERS was determined by an actuarial valuation as of December 31, 2013, which was rolled forward to June 30, 2014. As of June 30, 2014, the net pension liability for KPERS was \$ 8,291,794,910. KPERS has determined the District's proportionate share of the net pension liability is \$ 13,877,332 as of June 30, 2014. The complete actuarial valuation report including all actuarial assumptions and methods is publically available on the website at www.kpers.org or can be obtained as described in the first paragraph above.

6 - Tax Sheltered Annuity and Deferred Compensation Plans

The District participates in a 403(b) tax sheltered annuity plan and a 457(b) deferred compensation plan (the Plans). Employees who are at least 18 years of age and work 630 hours or more annually are eligible to participate in the Plans. There are no voluntary contributions or rollover contributions allowed under the Plans. However, participants may elect to defer accumulated vacation pay, retroactive back pay and accumulated sick pay into the Plans. Distributions are made upon retirement.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

7 - Other Post Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the District under this program.

8 - Interfund Transfers

The District made the following interfund transfers during fiscal year 2015. The transfers were approved by the Board of Education.

From	To	Statutory Authority	Amount
General	Special Education	K.S.A. 72-6428	\$ 1,281,237
General	Capital Outlay	K.S.A. 72-6428	422,094
Supplemental General	At-Risk	K.S.A. 72-6433	90,931
Supplemental General	Professional Development	K.S.A. 72-6433	100,000
Supplemental General	Parents Education	K.S.A. 72-6433	20,000
Supplemental General	Bilingual Education	K.S.A. 72-6433	140,000

9 - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the District carries commercial insurance. Settled claims have not exceeded commercial coverage in any of the three proceeding years. There have not been significant reductions in coverage from prior years.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

10 - Excess of Expenditures Over Appropriations

The District expended monies in excess of available cash in the Department of Homeland Security - FEMA fund. This was a result of grant reimbursements lagging behind the expenditures for the grants.

11 - Commitments

The District has committed to building a new elementary school to be funded by reserves in the capital outlay fund. Estimated total expenditures as of June 30, 2015 are expected to be greater than \$ 33,355,000. Significant construction expenditures were incurred during the current fiscal year and are recorded in the District's Capital Outlay fund.

SUPPLEMENTARY INFORMATION

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SUMMARY OF EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS

Year Ended June 30, 2015

<u>FUNDS</u>	<u>Certified Budget</u>
Governmental type funds:	
General fund	\$ 9,505,966
Supplemental general	3,587,253
Special purpose:	
Capital outlay	27,683,007
Food service	720,639
Special education	2,743,286
At-Risk	251,620
Professional development	354,000
Parent education	40,000
KPERS special retirement contribution	1,328,579
Federal grant funds (budgeted)	102,935
Bilingual education	182,632
	<hr/>
Totals	<u>\$ 46,499,917</u>

<u>Adjustment to Comply with Legal Max</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance - Over (Under)</u>
\$ (122,494)	\$ 9,383,472	\$ 9,383,472	\$ -
(47,837)	3,539,416	3,539,416	-
-	27,683,007	18,785,652	(8,897,355)
-	720,639	666,883	(53,756)
-	2,743,286	2,261,945	(481,341)
-	251,620	240,366	(11,254)
-	354,000	265,837	(88,163)
-	40,000	32,000	(8,000)
-	1,328,579	1,106,655	(221,924)
-	102,935	73,424	(29,511)
-	182,632	174,088	(8,544)
<u>\$ (170,331)</u>	<u>\$ 46,329,586</u>	<u>\$ 36,529,738</u>	

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS

Year Ended June 30, 2015

	Budget	Actual	Variance - Over (Under)
	<u>Budget</u>	<u>Actual</u>	<u>(Under)</u>
Cash receipts:			
State equalization aid	\$ 4,037,815	\$ 2,725,281	\$ (1,312,534)
Federal aid	4,200,000	5,377,273	1,177,273
State special education aid	1,268,150	1,281,237	13,087
	<u>1,268,150</u>	<u>1,281,237</u>	<u>13,087</u>
Total cash receipts	<u>\$ 9,505,965</u>	<u>9,383,791</u>	<u>\$ (122,174)</u>
Expenditures, encumbrances and transfers:			
Instruction	\$ 4,562,486	4,225,278	\$ (337,208)
Student support services	466,885	499,835	32,950
Instructional support services	79,075	80,461	1,386
General administration	578,489	399,411	(179,078)
School administration	563,712	553,649	(10,063)
Other supplemental services	416,072	410,580	(5,492)
Operations and maintenance	1,571,097	1,510,927	(60,170)
Transfers to other funds	1,268,150	1,703,331	435,181
Budget adjustment to comply with legal maximum	(122,494)		122,494
	<u>(122,494)</u>	<u></u>	<u>122,494</u>
Total expenditures, encumbrances and transfers	<u>\$ 9,383,472</u>	<u>9,383,472</u>	<u>\$ -</u>
Cash receipts over expenditures, encumbrances and transfers		319	
Unencumbered cash, beginning		<u>-</u>	
Unencumbered cash, ending		<u>\$ 319</u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SUPPLEMENTAL GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2015

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
Taxes	\$ 41,253	\$ 44,373	\$ 3,120
Federal aid	-	101,292	101,292
Supplemental state aid	3,546,000	3,393,751	(152,249)
Total cash receipts	<u>\$ 3,587,253</u>	<u>3,539,416</u>	<u>\$ (47,837)</u>
Expenditures, encumbrances and transfers:			
Instruction	\$ 2,742,424	2,472,652	\$ (269,772)
Instructional support services	590,191	564,491	(25,700)
General administration	42,000	44,716	2,716
Operations and maintenance	30,000	26,307	(3,693)
Other supplemental services	78,970	80,319	1,349
Transfers to other funds	103,668	350,931	247,263
Budget adjustment to comply with legal maximum	(47,837)		47,837
Total expenditures, encumbrances and transfers	<u>\$ 3,539,416</u>	<u>3,539,416</u>	<u>\$ -</u>
Cash receipts under expenditures, encumbrances and transfers		-	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		<u>\$ -</u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

CAPITAL OUTLAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2015

	Budget	Actual	Variance - Over (Under)
	<u>Budget</u>	<u>Actual</u>	<u>(Under)</u>
Cash receipts and transfers:			
Taxes	\$ 9,564	\$ 9,992	\$ 428
Federal aid	6,000,000	5,490,901	(509,099)
State aid	7,807	6,504	(1,303)
Interest	50,000	24,697	(25,303)
Other revenue	10,000	15,107	5,107
Transfer from general fund	-	422,094	422,094
	<u> </u>	<u> </u>	<u> </u>
Total cash receipts and transfers	<u>\$ 6,077,371</u>	<u>5,969,295</u>	<u>\$ (108,076)</u>
Expenditures and encumbrances:			
Instruction	\$ 10,000	-	\$ (10,000)
Student support services	300,000	66,505	(233,495)
Instructional support services	100,000	119	(99,881)
Operations and maintenance	150,000	103,528	(46,472)
Other support services	10,000	8,455	(1,545)
Architectural and engineering services	500,000	168,793	(331,207)
New building acquisition and construction	26,513,007	18,430,902	(8,082,105)
Site improvement	100,000	7,350	(92,650)
	<u> </u>	<u> </u>	<u> </u>
Total expenditures and encumbrances	<u>\$ 27,683,007</u>	<u>18,785,652</u>	<u>\$ (8,897,355)</u>
Cash receipts and transfers under expenditures and encumbrances		(12,816,357)	
Unencumbered cash, beginning		<u>21,603,237</u>	
Unencumbered cash, ending		<u>\$ 8,786,880</u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

FOOD SERVICE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2015

	<u>Budget</u>	<u>Actual</u>	Variance - Over (Under)
Cash receipts:			
School lunches:			
Students	\$ 336,273	\$ 385,882	\$ 49,609
Nonreimbursable	21,720	24,270	2,550
School breakfast	14,890	39,261	24,371
Federal aid	189,873	174,733	(15,140)
State aid	6,640	7,185	545
Other revenue	<u>71,457</u>	<u>15,665</u>	<u>(55,792)</u>
Total cash receipts	<u>\$ 640,853</u>	646,996	<u>\$ 6,143</u>
Expenditures and encumbrances:			
Food service operation	<u>\$ 720,639</u>	<u>666,883</u>	<u>\$ (53,756)</u>
Cash receipts under expenditures and encumbrances		(19,887)	
Unencumbered cash, beginning		<u>111,103</u>	
Unencumbered cash, ending		<u>\$ 91,216</u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SPECIAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2015

	Budget	Actual	Variance - Over (Under)
	<u>Budget</u>	<u>Actual</u>	<u>(Under)</u>
Cash receipts and transfers:			
Federal aid	\$ 1,043,413	\$ 1,606,338	\$ 562,925
Transfers from general fund	1,341,818	1,281,237	(60,581)
Medicaid	-	1,654	1,654
Fees	-	3,347	3,347
Other revenue	-	175	175
	<u> </u>	<u> </u>	<u> </u>
Total cash receipts and transfers	<u>\$ 2,385,231</u>	<u>2,892,751</u>	<u>\$ 507,520</u>
Expenditures and encumbrances:			
Instruction	\$ 2,258,388	1,821,538	\$ (436,850)
Instructional support staff	30,000	21,575	(8,425)
Special area administrative services	267,191	259,703	(7,488)
Other support services	49,037	50,111	1,074
Student support services	-	214	214
Transportation	138,670	108,804	(29,866)
	<u> </u>	<u> </u>	<u> </u>
Total expenditures and encumbrances	<u>\$ 2,743,286</u>	<u>2,261,945</u>	<u>\$ (481,341)</u>
Cash receipts and transfers over expenditures and encumbrances		630,806	
Unencumbered cash, beginning		<u>367,638</u>	
Unencumbered cash, ending		<u>\$ 998,444</u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

AT-RISK FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Over (Under)</u>
Transfers:			
Transfers from other funds	<u>\$ -</u>	\$ 90,931	<u>\$ 90,931</u>
Expenditures and encumbrances:			
Instruction	<u>\$ 251,620</u>	<u>240,366</u>	<u>\$ (11,254)</u>
Transfers under expenditures and encumbrances		(149,435)	
Unencumbered cash, beginning		<u>351,431</u>	
Unencumbered cash, ending		<u>\$ 201,996</u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

PROFESSIONAL DEVELOPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Over (Under)</u>
Transfers:			
Transfers from other funds	<u>\$ 30,000</u>	<u>\$ 100,000</u>	<u>\$ 70,000</u>
Expenditures and encumbrances:			
Instructional support services	\$ 353,000	265,837	\$ (87,163)
Other support services	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Total expenditures and encumbrances	<u>\$ 354,000</u>	<u>265,837</u>	<u>\$ (88,163)</u>
Transfers under expenditures and encumbrances		(165,837)	
Unencumbered cash, beginning		<u>357,269</u>	
Unencumbered cash, ending		<u>\$ 191,432</u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

PARENT EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Under</u>
Transfers:			
Transfers from other funds	<u>\$ -</u>	\$ 20,000	<u>\$ 20,000</u>
Expenditures:			
Student support services	<u>\$ 40,000</u>	<u>32,000</u>	<u>\$ (8,000)</u>
Transfers under expenditures		(12,000)	
Unencumbered cash, beginning		<u>51,929</u>	
Unencumbered cash, ending		<u>\$ 39,929</u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2015

	Budget	Actual	Variance - Over (Under)
	<u>Budget</u>	<u>Actual</u>	<u>(Under)</u>
Cash receipts:			
State aid	\$ 1,328,579	\$ 1,106,655	\$ (221,924)
Expenditures:			
Instruction	\$ 861,821	760,027	\$ (101,794)
Student support services	66,294	42,813	(23,481)
Instructional support services	66,294	46,719	(19,575)
General administration	39,776	34,551	(5,225)
School administration	92,811	51,973	(40,838)
Other support services	39,776	39,827	51
Operations and maintenance	108,770	74,441	(34,329)
Transportation	26,518	26,736	218
Food service	26,519	29,568	3,049
Total expenditures	<u>\$ 1,328,579</u>	<u>1,106,655</u>	<u>\$ (221,924)</u>
Cash receipts over expenditures		-	
Unencumbered cash, beginning		<u>-</u>	
Unencumbered cash, ending		<u>\$ -</u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

FEDERAL GRANT FUNDS (BUDGETED)

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2015

	Title II-A Teacher Quality
Cash receipts:	
Federal aid	\$ 23,815
Expenditures and encumbrances:	
Instruction	22,304
General administration	-
Total expenditures and encumbrances	22,304
Cash receipts over expenditures and encumbrances	1,511
Unencumbered cash, beginning	-
Unencumbered cash, ending	\$ 1,511

(Continued)

Title I	Total Actual	Total Budget	Variance - Over (Under)
\$ 51,120	\$ 74,935	\$ 102,935	\$ (28,000)
47,224	69,528	\$ 102,935	\$ (33,407)
3,896	3,896	-	3,896
51,120	73,424	\$ 102,935	\$ (29,511)
-	1,511		
-	-		
\$ -	\$ 1,511		

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

BILINGUAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Over (Under)</u>
Transfers:			
Transfers from other funds	<u>\$ -</u>	\$ 140,000	<u>\$ 140,000</u>
Expenditures and encumbrances:			
Instruction	<u>\$ 182,632</u>	<u>174,088</u>	<u>\$ (8,544)</u>
Transfers under expenditures and encumbrances		(34,088)	
Unencumbered cash, beginning		<u>250,404</u>	
Unencumbered cash, ending		<u>\$ 216,316</u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

TEXTBOOK RENTAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2015

Expenditures and encumbrances:	
Instruction	\$ 108,133
Books and supplies	<u>114,339</u>
Total expenditures and encumbrances	222,472
Unencumbered cash, beginning	<u>371,768</u>
Unencumbered cash, ending	<u><u>\$ 149,296</u></u>

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

CONSTRUCTION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2015

Cash receipts:	
Federal aid	\$ 338,513
Expenditures and encumbrances:	
Site improvement	<u>2,625</u>
Cash receipts over expenditures and encumbrances	335,888
Unencumbered cash, beginning	<u>208,301</u>
Unencumbered cash, ending	<u><u>\$ 544,189</u></u>

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

VENDING MACHINE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2015

Expenditures and encumbrances:	
Vending expenses	\$ 964
Unencumbered cash, beginning	<u>2,482</u>
Unencumbered cash, ending	<u><u>\$ 1,518</u></u>

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

FEDERAL AND OTHER GRANTS FUND (NON-BUDGETED)

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2015

Cash receipts:	
Fees	\$ 8,440
Federal aid	<u>397,787</u>
Total cash receipts	<u>406,227</u>
Expenditures and encumbrances:	
Instruction	1,031
Instructional support staff	16,502
Operations and maintenance	138,027
Other support services	6,212
Transportation	<u>270,904</u>
Total expenditures and encumbrances	<u>432,676</u>
Cash receipts under expenditures and encumbrances	(26,449)
Unencumbered cash, beginning	<u>681,449</u>
Unencumbered cash, ending	<u><u>\$ 655,000</u></u>

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

CONTINGENCY RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2015

Expenditures:	
School administration	\$ 19,287
Instruction	<u>29,042</u>
Total expenditures	48,329
Unencumbered cash, beginning	<u>734,557</u>
Unencumbered cash, ending	<u><u>\$ 686,228</u></u>

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

DODEA GRANT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2015

Expenditures and encumbrances:	
Instruction	\$ 7,343
Instructional support staff	<u>99,497</u>
Total expenditures and encumbrances	106,840
Unencumbered cash, beginning	<u>110,470</u>
Unencumbered cash, ending	<u><u>\$ 3,630</u></u>

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

DEPARTMENT OF HOMELAND SECURITY - FEMA FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2015

Cash receipts:	
Federal aid	\$ 531,300
Expenditures:	
Site improvements	<u>254,293</u>
Cash receipts over expenditures	277,007
Unencumbered cash, beginning	<u>(573,800)</u>
Unencumbered cash, ending	<u><u>\$ (296,793)</u></u>

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

STUDENT ORGANIZATION FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

Year Ended June 30, 2015

	Balance July 1	Cash Receipts	Cash Disbursements	Balance June 30
Patton Junior High:				
Pep club	\$ 286	\$ 524	\$ 506	\$ 304
Student council	1,534	5,009	5,315	1,228
Chief's Hearts	1,110	-	-	1,110
Edison Award	380	-	351	29
Student Activities	147	599	625	121
National Honor Society	145	-	145	-
Annual	771	6,027	6,248	550
	<hr/>	<hr/>	<hr/>	<hr/>
Total all funds	<u>\$ 4,373</u>	<u>\$ 12,159</u>	<u>\$ 13,190</u>	<u>\$ 3,342</u>

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS

Year Ended June 30, 2015

	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Transfers	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Patton Junior High:								
Sales tax	\$ 1,118	\$ -	\$ 45	\$ 1,073	\$ -	\$ 90	\$ -	\$ 90
Impress fund	750	-	11,579	11,579	-	750	-	750
Site-based council	2,845	-	7,350	7,147	-	3,048	-	3,048
Book fair	424	-	3,182	2,684	-	922	-	922
PSAT AP exams	389	-	1,014	834	-	569	-	569
Tournament	254	-	1,122	1,135	-	241	-	241
Subtotal Patton Junior High	5,780	-	24,292	24,452	-	5,620	-	5,620
Bradley Elementary	4,168	-	24,631	20,860	-	7,939	-	7,939
Eisenhower Elementary	11,258	-	22,980	25,710	-	8,528	-	8,528
MacArthur Elementary	8,209	-	22,563	20,518	-	10,254	-	10,254
Total all funds	<u>\$ 29,415</u>	<u>\$ -</u>	<u>\$ 94,466</u>	<u>\$ 91,540</u>	<u>\$ -</u>	<u>\$ 32,341</u>	<u>\$ -</u>	<u>\$ 32,341</u>

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2015

Grant Title	Federal CFDA Number	Program Award
U.S. Department of Agriculture:		
Passed through Kansas State Department of Education:		
Child Nutrition Cluster:		
National School Breakfast program	10.553	\$ 19,030
National School Lunch program	10.555	155,703
Total U.S. Department of Agriculture		
U.S. Department of Defense:		
Support for Student Achievement at Military Connected Schools (CYBER T.E.A.M.S.) 2013-2014	12.556	800,501
Support for Student Achievement at Military Connected Schools (CYBER T.E.A.M.S.) 2014-2015	12.556	713,645
National Defense Authorization Act 2012-2013	12.558	521,963
National Defense Authorization Act 2013-2014	12.558	457,447
National Defense Authorization Act 2014-2015	12.558	496,863
Total U.S. Department of Defense		
U.S. Department of Education:		
Impact Aid	84.041	12,446,318
Passed through Kansas State Department of Education:		
Title I Grants to Local Education Agencies	84.010	51,120
Title VI-B	84.027	350,604
Title VI-B Discretionary	84.027	14,386
Title VI-B Preschool	84.173	16,103
Title II-A, Teacher Quality	84.367	23,815
Total U.S. Department of Education		
U.S. Department of Homeland Security:		
Passed through Kansas Division of Emergency Management:		
Hazard Mitigation Grant	97.039	948,427
Totals		

See accompanying notes to schedule of
expenditures of federal awards.

Unencumbered Cash Balance July 1, 2014	Receipts and Transfers	Disbursements, Accounts Payable, Encumbrances and Transfers	Unencumbered Cash Balance June 30, 2015
<u>\$ -</u>	<u>\$ 19,030</u>	<u>\$ 19,030</u>	<u>\$ -</u>
<u>-</u>	<u>155,703</u>	<u>155,703</u>	<u>-</u>
<u>-</u>	<u>174,733</u>	<u>174,733</u>	<u>-</u>
(646)	-	-	(646)
111,116	-	106,840	4,276
224,002	-	224,002	-
457,447	-	199,131	258,316
<u>-</u>	<u>496,863</u>	<u>101,292</u>	<u>395,571</u>
<u>791,919</u>	<u>496,863</u>	<u>631,265</u>	<u>657,517</u>
13,756,377	12,446,318	24,359,310	1,843,385
-	51,120	51,120	-
-	350,604	350,604	-
-	2,216	9,541	(7,325)
-	16,103	16,103	-
<u>-</u>	<u>23,815</u>	<u>22,304</u>	<u>1,511</u>
<u>13,756,377</u>	<u>12,890,176</u>	<u>24,808,982</u>	<u>1,837,571</u>
(430,349)	531,300	190,720	(89,769)
<u>\$ 14,117,947</u>	<u>\$ 14,093,072</u>	<u>\$ 25,805,700</u>	<u>\$ 2,405,319</u>

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2015

1 - General

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards of Fort Leavenworth Unified School District No. 207 (the District). All federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

2 - Basis of Accounting

The accompanying schedule of expenditures of federal awards is presented using the regulatory basis of accounting as described in Note 2 to the District's financial statement.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2015

I. Summary of Independent Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified – regulatory basis Adverse – GAAP basis
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Internal control over financial reporting:

Material weaknesses identified	None
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Significant deficiencies identified that are not considered to be material weaknesses	None reported
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Noncompliance material to financial statements noted	None
--	------

Federal Awards

Type of auditor's report issued on compliance for major programs	Unmodified
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Internal control over major programs:

Material weaknesses identified	None
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Significant deficiencies identified that are not considered to be material weaknesses	None reported
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Findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133	None
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Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
84.041	Impact Aid Cluster

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Dollar threshold used to distinguish between type A and type B programs	\$ 774,171
Auditee qualified as low-risk auditee	Yes

II. Financial Statement Findings

No matters reported.

III. Findings and Questioned Costs for Federal Awards

No matters reported.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2015

None.



BERBERICH TRAHAN & CO., P.A.
Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Board of Education
Fort Leavenworth Unified School District No. 207:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of Fort Leavenworth Unified School District No. 207 (the District), which comprises the summary statement of regulatory receipts, expenditures and unencumbered cash as of June 30, 2015 and the related notes to the financial statement, and have issued our report thereon dated February 23, 2016. Our report contained an adverse opinion because the financial statement was presented using accounting practices prescribed or permitted by the State of Kansas.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Berberich Trahan & Co., P.A.

February 23, 2016
Topeka, Kansas



BERBERICH TRAHAN & CO., P.A.
Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL
CONTROL OVER COMPLIANCE**

Board of Education
Fort Leavenworth Unified School District No. 207:

Report on Compliance for Each Major Federal Program

We have audited Fort Leavenworth Unified School District No. 207's (the District's) compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on the District's major federal program for the year ended June 30, 2015. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Berberich Trahan & Co., P.A.

February 23, 2016
Topeka, Kansas